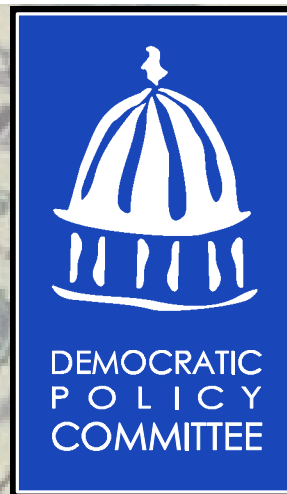


SPECIAL REPORT



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House DPC

RICHARD A. GEPHARDT

House Democratic Leader

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BUSH'S WASHINGTON: SPECIAL INTERESTS REIGN OVER BIPARTISANSHIP AND CIVILITY

Bush's Washington: Special Interests Reign Over Bipartisanship and Civility

*"For the businesses that invested more money than ever before in George W. Bush's costly campaign for the presidency, the returns have already begun."
(Wall Street Journal, 3/6/01)*

*'We have come out of the cave, blinking in the sunlight, saying to one another, 'My God, now we can actually get something done.' said a business lobbyist
(Wall Street Journal, 3/6/01)*

President Bush promised to change the tone in Washington, and work in a bipartisan and civil manner. Voters and even congressional Democrats, for that matter, took him at his word. However, many of the actions taken thus far run counter to the Bush rhetoric. Instead of acting in a bipartisan way for the public interest, President Bush and congressional Republicans have been working on behalf of the special interests that funded their campaigns.

Bush said his first priority would be education. But instead of pushing for action on this important and bipartisan measure, Bush has been flying across the country selling his real number one priority – a tax cut for the wealthy to benefit his wealthy contributors.

Thus far, he has signed five bills – only one of any substance. It is the divisive and partisan repeal of workplace safety regulations, one of the top priorities of business groups that have given millions to GOP campaigns, which was rammed through Congress several weeks ago.

While talking about bipartisanship and civility, Bush has condoned and used strong-arm tactics to ensure that he wins for his corporate friends. So instead of changing the tone of Washington, he has changed his tone to that typically associated with Washington.

As the **New York Times** has described it:

After weeks of lavishing nicknames on Democrats and inviting them to the White House, the new president answered a key question about the balance he would strike between being a reach-across-the aisle conciliator and an ideological warrior. As one of Mr. Bush's business allies put it, the opposition party is learning that this administration is "tough as hell"...So while still talking about bipartisanship on issues like education and health care, Mr. Bush and his Congressional allies struck fast and cohesively this week to roll back federal regulations on repetitive stress syndrome and to pass the first and most significant part of Mr. Bush's proposed \$1.6 trillion tax reduction. ... Moreover, the president who ... deplored the "Washington war room mentality" and said "it is time for leadership that sets a new tone, a tone of respect and bipartisanship" showed that he was perfectly willing to play political hardball in pursuit of his agenda. (**New York Times**, 3/9/01)

The fact is that the hardball agenda that Bush and congressional Republicans are enacting is one that benefits corporate special interests. So far, they have won rollbacks of several environmental regulations, a repeal of worker safety regulations, business tax breaks after the Bush tax plan is enacted. And there will like be more.

In describing these early actions of a *Washington Post* article noted:

“Early Wins Embolden Lobbyists for Business; Groups to Push Much Broader Agenda. Buoyed by their headiest week in recent memory, business lobbyists are dusting off dozens of long-stalled legislative proposals in hopes of cashing in on a new pro-business climate fostered by Republican control of the White House. Congress last week quickly did away with workplace safety rules that had been 10 years in the making, and moved on to a bankruptcy reform bill. But even as they savored these triumphs, business representatives looked ahead to passing a broader agenda that would pare back environmental and land use regulations, limit corporate liability for faulty products, rewrite rules protecting the privacy of patients' medical records, cut red tape blocking new oil refineries and pipelines, and open the Arctic National Wildlife Refuge in Alaska to oil drilling. Adding to the momentum is the desire of Bush and the Republican-led Congress to quickly reward corporate groups for agreeing to forgo advocating tax breaks in the president's initial tax cut bill -- while reserving the right to press for special-interest tax provisions later on. “Since business isn't getting anything in the first tax bill, they're going to get a lot on the regulatory side,” said Lawrence A. Kudlow, a *Wall Street* economist and former adviser to President Ronald Reagan. (***Washington Post*, 3/11/01**)

This report takes a look at the Administration actions. It shows how Bush and congressional Republicans have done the bidding of the special interests that have funded their campaigns instead of fulfilling the pledge of bipartisanship and civility on a range of issues as follows:

- Taxes
- Ergonomics
- Other Anti-Labor Actions
- Arsenic in the Water
- Undoing Clean Air Regulations CO2
- Hardrock Mining
- Roadless Areas in National Forest
- Patients' Bill of Rights
- Energy
- Prescription Drugs

To date, the President has not made good on his pledge to unite the country around a bipartisan agenda that makes sense for all Americans. Instead of working together, the President heeded the call of special interests, putting their needs first, and the needs of hard-working families a very distant second.

Tax Cuts

Tax Cut Benefit Bush's Wealthy Contributors

Instead of sitting down with Democrats to work in a bipartisan way to fashion a fair tax cut for everyone, President Bush is pushing a more-than-\$2 trillion tax plan that overwhelmingly benefits the wealthy and squanders the surplus. He is insistent on passing his plan despite the fact that the Bush tax plan is patently unfair.

According to Citizens for Tax Justice, the Bush tax cut rewards the wealthiest 1% of families with 45% of the tax cuts, while some 12.2 million low-and moderate-income families with children would not receive any tax cut at all, according to the Center for Budget and Policy Priorities. The tax cut for middle-income and lower-income families – the bottom 60 percent of taxpayers – would be only \$227 a year, while the top one percent of earners nationwide would receive an average tax reduction of \$46,000, says CTJ.

When President Bush launched his public-relations campaign to sell his \$1.6 trillion tax cut this week, he gathered a group of middle-class families at the White House... Asked who was there to represent those in the top tax bracket, Mr. Bush replied to laughter: "Well, I beg your pardon. I'm representing [them]. I got a little pay raise coming to Washington from Austin." (*Wall Street Journal* 2/7/01)

As the *Wall Street Journal* recently noted, "if his full income-tax cut had been in place in 1999, the most recent year for which he has released his tax returns, he and Laura Bush could have gotten a break 20 to 60 times that of Bush's representative middle class family. Vice President Cheney and his wife, Lynne, meanwhile, could have gotten a break in 1999 of more than a quarter of a million dollars." (*Wall Street Journal* 2/7/01)

Even Republicans note that the Bush tax plan is skewed to the wealthy.

"In its present form, I would not support it, said Sen. Jeffords. "It has to be more oriented to the middle-income and lower-income people." (*Congress Daily*, 2/9/01)

The fact that Bush has written a tax plan for America's wealthy is no surprise. After all, Bush's campaign for the presidency was funded by the wealthiest of Americans. Two-thirds of Bush's campaign donations came from donors who gave at least \$1,000, according to the Center for Responsive Politics. Academic studies show that 80% of donors of at least \$200 to congressional campaigns have family incomes of \$100,000 or more; nearly half have family incomes of more than \$250,000. Undoubtedly, donors who give at least \$1,000 are concentrated even higher on the income scale. Meanwhile, Bush's roster of 214 "pioneers"-- the volunteer fundraisers who raised at least \$100,000 for his campaign -- is a who's who of corporate executives in the top income brackets. Clearly Bush has written a tax plan to reward the fat cats that funded his campaign.

Business Groups Looking for Even More Tax Breaks

Not only are wealthy contributors looking for personal tax breaks, but businesses that have filled the campaign coffers of Bush and Republicans want to add more than a trillion dollars in corporate tax breaks to Bush's bloated tax cut bill.

Here is what some of them have said:

``We do think additional tax relief is needed for the business community this year," Dorothy Coleman, vice president for tax policy for the National Association of Manufacturers, which is seeking repeal of the corporate alternative minimum tax, said. *(AP 2/6/01)*

Indeed, there is a long list of tax cuts that business lobbyists would like to see enacted. Estimates of the tax breaks that corporate interests are looking for range from \$500 billion to an additional \$1.3 trillion or more. *(USA Today, 1/26/01; Time, 2/12/01)*

Some examples of the billions in tax breaks that businesses are seeking include the following:

- ! W. Henson Moore, president of the American Forest and Paper Association, is cochairman of a broad business coalition pushing to reduce the corporate income tax rate to 25% from the current 35%, which would cost \$60 billion per year when effective.
- ! Cut corporate capital gains tax, which is estimated to cost \$32 billion over 10 years.
- ! Repeal of the corporate alternative minimum tax – which ended the practice of corporations paying no taxes because of massive tax shelters-- which could cost \$220 billion.
- ! The newly formed Cost Recovery Action Group, whose members include Advanced Micro Devices Inc. and other high-technology companies, want Congress to allow a faster depreciation of computers and other computer equipment. A briefing paper by the Cost Recovery Action Group estimates that its proposal for faster write-offs of high-tech equipment and other investments would cost between \$280 billion and \$350 billion in lost tax revenue over 10 years.

White House Strong-Armed Businesses to Support Bush Tax Plan

However, realizing the early inclusion of these tax breaks would drive up the cost of the Bush tax plan, top Bush Administration officials pressured these businesses to join together as the "Tax Relief Coalition" (TRC) and to agree to temporarily postpone their tax breaks. In return, these business groups will be allowed to advance their broader non-tax agenda with the support of the Bush administration. Further, these groups expect a second tax bill to carry the business tax breaks after the initial Bush tax plan is enacted.

Specifically a group of more than 500 business organizations organized by the National Association of Wholesaler-Distributors, the National Federation of Independent Business, the National Association of Manufacturers and the U.S. Chamber of Commerce formed the Tax Reform Coalition to lobby for Bush's tax cut plan. Top Coalition officials have frequent contact with Senior Bush Adviser Karl Rove and Legislative Affairs Director Nicholas Calio to keep them up to date on the Coalition's activities. Rove has been leading the White House effort to sell Bush's tax cut and the business groups in the TRC were a significant part of his efforts. The TRC officially announced its formation at a news conference with House Majority Leader Dick Armey and planned to hold other events with the entire House Republican leadership. [National Journal's CongressDaily, 3/7/01; New York Times, 2/24/01]

"The litmus test for joining this coalition is you check your parochial interest at the door and support the president's \$1.6 trillion plan," said one coalition leader. (Congress Daily, 3/13/01)

President Bush, Vice President Cheney, White House Chief of Staff Andrew Card and Senior Adviser Karl Rove strong-armed business groups to support the tax cut without additional cuts for business. The Bush White House told business groups that they needed to support Bush's tax cut proposal if they wanted to be able to have their agendas heard or supported by the administration later on.

"The message has been 'Get with the program,'" a business lobbyist said. "They're saying if you don't fit into what the president wants, we won't help you and we may even fight you." (*Washington Post*, 3/4/01)

According to a trade association representative, the White House told business groups that "anyone who wants to talk to this administration must first help establish Bush's presidency and do it in a way that keeps this bill [the tax cut] slick and clean." (*Washington Post*, 3/4/01)

Some business lobbyists were concerned that unless they get in on the ground floor of this coalition effort, the Bush administration will leave them out in the cold when they ask for help in getting their own provisions included in upcoming tax bills. "You have to work at helping us pass our [Bush Administration] agenda if you want a shot at passing your own [business] agenda," a senior House GOP staffer said when asked about the message being sent to K Street. (Roll Call 2/20/01)

Businesses Know They Will Get Tax Cuts from Bush Later

Indeed, key business groups have indicated that they are supporting President Bush's initial \$1.6 trillion tax cut with the expectation that, once the \$1.6 trillion tax cut is enacted, other tax bills will be enacted containing business tax cuts they are seeking.

"We want to see this bill pass and the president to succeed," Baroody said. "There's time enough for a follow-on after we've dealt with first things first." (*AP*, 3/6/01)

Business leaders "understand there are going to be a series of tax cuts to come," according to Grover Norquist, president of Americans for Tax Reform. (*Business Week*, 3/19/01)

"We're going to get another bite of the apple, and that's when we're going to go after what we really care about it," said Bill Miller, political director for the U.S. Chamber of Commerce. (*Washington Post*, 2/7/01)

And congressional Republicans are on board with this strategy. In an interview on February 27, Senate Majority Leader Trent Lott made clear that, once the \$1.6 trillion tax cut bill is enacted, the Republican Leadership is planning to bring up additional tax cut bills – particularly containing tax cuts sought by their business allies. (*Bloomberg News*, 2/27/01)

Majority Whip Tom DeLay has said "The Bush plan is a great beginning, but it's a floor not a ceiling." (*Press Release*, 3/14/01) In fact, the GOP budget the House passed yesterday provides for several additional tax bills, and provide additional tax cuts this summer.

Businesses & Tax Relief Coalition Have Funded Bush and GOP Campaigns

These businesses know that Bush will deliver for them as they have been helpful to his electoral cause, making big contributions to his campaign coffers.

Specifically, the Tax Relief Coalition ponied up \$281,632 for the Bush campaign in the 2000 election. The coalition provided another \$105,000 for the Bush Inaugural committee. For Republican candidates and parties, the coalition gave \$677,611. (www.opensecrets.org; www.tray.com; *Chicago Tribune*, 2/19/01)

Further, the Chamber of Commerce, National Association of Manufacturers and National Association of Wholesaler-Distributors all made major grass-roots and advertising campaigns that helped Bush and Republicans in 2000.

Members of the Tax Reform Coalition may well have contributed much more last night. Bill Thomas, the chief tax writer in the House, hosted the National Republican Campaign Committee fundraiser, which was expected to raise a record \$7 million.

Business Groups Are Spending Millions to Sell Bush's Tax Cut

Business groups are strongly embracing the Bush tax cut. They are spending millions running ads for the Bush tax cuts. They have gone so far as to dress up in hard hats to make it look like working families support the Bush tax cut.

The Issues Management Center launched a recent television ad campaign to support President Bush's tax cut, featuring President Kennedy's voice supporting a 1962 tax cut. These ads have been run in states with Democratic Senators including South Dakota and Louisiana. A conservative group called Club for Growth announced a plan to launch a \$1 million television campaign to garner support for the tax cut package.

On March 8, 2001, business lobbyists even dressed up as workers when they attended the Republican rally to sell the Bush tax cut. According to the *Washington Post*, the memo from the National Association of Manufacturers to business lobbyists “urged them to be ‘dressed down’ so that ‘a sea of hard hats’ could flank Speaker J. Dennis Hastert (R-Ill.) and other House GOP leaders to help buttress Republican arguments that the plan helps blue-collar Americans. ‘The theme involves working Americans. ... but the Speaker’s office was very clear in saying that they do not need people in suits. If people want to participate -- AND WE DO NEED BODIES -- they must be DRESSED DOWN, appear to be REAL WORKER types, etc. (*Washington Post*, 3/9/01)

Repeal of Workplace Safety Regulations

“Businesses large and small opposed the [ergonomic] rules, and the vote in Congress was widely characterized as a victory for corporate America.”
(*Washington Post*, 3/12/01)

“This has been an all-out effort that involves virtually the entire Washington business community.” - Michael Baroody, chief lobbyist for the National Association of Manufacturers, on yesterday’s successful GOP effort to kill workplace protections (*CongressDaily*, 3/7/01)

Last week, President Bush signed a partisan and divisive bill to eliminate a workplace health and safety rule issued by the Occupational Safety and Health Administration (OSHA). Ten years of exhaustive work on the worker protection rule were completely wiped out by Bush and congressional Republicans — affecting the more than 600,000 workers every year who are injured by repetitive motion and overexertion on the job. In a short period of time, Republicans killed this regulation to deal with the number-one occupational health and safety problem in the American workplace today. These new safety regulations were designed to prevent injuries ranging from carpal-tunnel syndrome to wrenching back injuries, that not only seriously affects workers health but cost \$45-50 billion every year in health care expenses and costs from days missed from work.

As the press reported it:

Plans for the rollback of pending Clinton administration workplace regulations, intended to prevent repetitive-motion injuries...were masterminded by business lobbyists and the Senate's No. 2 Republican, Don Nickles of Oklahoma. The path was greased with campaign cash and an obscure 1996 law that limited debate -- and, thus, the amount of time labor unions had to marshal their forces. The Senate approved the rollback by a 56-44 vote on March 6; the House followed suit, 223-206, the next day.
(*USA Today*, 3/20/01)

With the backing of the White House, congressional Republicans used a little-known, never-before-used sweeping tool to roll back this worker safety rule — the 1996

Congressional Review Act (CRA). Under the Act, the ergonomics rule is completely eliminated, and OSHA can neither modify nor improve the rule. Instead, OSHA would have to restart its review, and couldn't even propose a rule that was similar to the current one. If Bush and the GOP were simply acting on this rule on the merits, there are fair and reasonable procedures that could be used to make changes to the ergonomics rule. Instead Republicans chose the tool to effectively paralyze OSHA in setting an ergonomics standard to protect American workers from the most pressing job safety hazard.

Bush and congressional Republicans handed what one lobbyist called "one of the biggest victories we've seen for some time..." (*Washington Post*, 3/12/01) The repeal was supported by a number of corporations. In fact, the Wall Street Journal reported that "Repealing the ergonomic rules ranks high on the priority lists of the U.S. Chamber of Commerce, the National Association of Manufacturers and the National Association of Wholesaler-Distributors." (*Wall Street Journal*, 3/6/01) And these groups all made major grass-roots and advertising campaigns that helped Bush and Republicans in 2000. (*Wall Street Journal*, 3/6/01)

Business groups and the business members of these associations that publicly pushed for the rollback donated \$2 million for Bush overall. This includes \$1.4 million in contributions to the Bush Campaign, and \$400,000 for the Bush Inaugural Committee.

In addition, two of Bush's Pioneers – hundred thousand dollar fundraisers – were from organizations or companies lobbying to repeal the ergonomic standards. Finally, Bush's Transition Teams look like a who's who's of businesses supporting the repeal of these regulations, including: Edwin Gilroy, of the American Trucking Association, who was assigned to the incoming Bush administration's Labor Department transition team; Randel Johnson, of the US Chamber of Commerce, who was assigned to the incoming Bush administration's Labor Department transition team; Jerry Jasinowski, of the National Association of Manufacturers, who was assigned to the incoming Bush administration's Commerce Department transition team; and Dirk Van Dongen, of the National Association of Wholesaler-Distributors, who was assigned to the incoming Bush administration's Commerce Department transition team. (Center for Responsive Politics)

Given that businesses have had unfettered access in the decisionmaking of the Bush Administration as a result of their efforts on behalf of the Republicans in the 2000 election, it is no wonder that the first major law is one that sides with the special interests over the interest of working families.

Other Anti-Labor Actions

On top of the rush to repeal the workplace safety regulations on ergonomics, it appears our new president also has it out for working Americans in other ways. Apparently, President Bush has decided to use federal involvement to tip the scales in favor of business when it comes to labor-management issues. On February 17th Bush signed four new executive orders described by the *Washington Post* as "**designed to curb the power of organized labor.**" (*Washington Post*, 2-17-01) The most egregious of these presidential orders **bans "project agreements"** which require contractors to follow union rules and pay union dues on federal construction projects. The unions promise to ensure a steady supply of labor and not to strike, and the agreements allow nonunion contractors to bid for the work.

Democrats are not the only ones opposing Bush's anti-labor actions. Thirty-two Republican members of the House have written to President Bush to disagree with this decision on project labor agreements. In their letter, the Republicans wrote, "Project labor agreements have been used successfully since the 1930's to control costs, guarantee a steady stream of skilled labor and prevent work disruptions on huge public projects.." (*New York Times*, March 13, 2001)

The other executive orders: Require federal contractors to post notices alerting workers of their right to a rebate on the portion of union dues used for politics and lobbying; dissolve the National Partnership Council which fostered labor-management cooperation in government; and overturn a rule protecting employees of contractors at federal buildings when the project is awarded to another contractor.

Rolling Back Health & Environmental Regulations

Over the past several weeks, the Bush Administration has been on a rampage rolling back a number of environmental protection and health and safety measures. In just nine days in March, Bush rescinded a strict new standard for arsenic levels in drinking water, suspended new clean-up requirements for mining companies, renounced a campaign promise to reduce carbon dioxide emissions by power plants, and threatened to challenge a logging ban on nearly 60 million acres of national forest. On Tuesday, the Bush administration also announced it would rescind another environmental right to know rule from the Clinton administration that increases the public's access to information about chemical plant accidents.

Even Republicans have been taken aback by Bush's willingness to do the bidding of the special interests to undo key environmental and health regulations.

Rep. Sherwood L. Boehlert (R-N.Y.), a moderate closely allied with environmental groups, cautioned that Bush was "taking a risk" by issuing so many controversial decisions on the environment so early.

(Washington Post, 3/24/01)

"“I guess it was wishful thinking to believe that once he got in office he would help our cause,” says Martha Marks, president of Republicans for Environmental Protection, a grassroots group with members in 47 states.

“We”re disappointed. Very disappointed.”””” (*USA Today*, 3/16/01)

With each of these decisions, it is clear that the Bush Administration is siding with corporate interests who have funded his campaign, rather than siding with the public, which wants clean water, clean air -- and overall a clean environment.

...the gang in power is out to pillage and rape the environment with an abandon not witnessed since the days when strip-mining was in vogue. The principle seems to be that what's good for a company that gave money to the Bush campaign is good for the country. As a Los Angeles Times front-page

headline put it: "With Bush, Happy Days Here Again for Business Lobby."
(*Robert Scheer Los Angeles Times, 3/27/01*)

In order to repay his supporters, Bush once again puts business interests ahead of the interests of the American people. President Bush calls himself a compassionate conservative, but there is nothing compassionate about abandoning important health standards to please campaign contributors.

Bush Overturns Reduction of Arsenic in Drinking Water

Arsenic is a poison – plain and simple. It causes several forms of cancer (including skin, bladder, lung, and prostate) not to mention numerous other permanent health problems like diabetes and cardiovascular disease. Children are most at-risk. Scientists say there should be no more than 10 parts of arsenic per billion in drinking water. That's also the standard in the European Union and the one adopted by the World Health Organization. But the current outdated standard in America is 50 parts per billion and dates back to 1942.

In January 2001, after decades of studies, public comment, and debate, new rules were issued that would lower the arsenic standard to 10ppb for everyone in America. If implemented, the arsenic standard would have provided additional protection for 13 million Americans against long-term effects of arsenic such as cancer, cardiovascular disease, diabetes and neurological disorders, according to the Environmental Protection Agency.

Now, under pressure from special interests, the Bush administration has revoked that rule restoring the 50ppb standard. This is an outrage. The Bush administration's action is an assault on the America people and public health. Is it too much to ask that in America we have clean, safe tap water for everyone?

In 1999, the National Academy of Sciences (NAS) study recommends lowering the arsenic standard to 10ppb "as promptly as possible." (**NAS Study, 1999**) That is because the cancer risk under the current arsenic standard "could easily" result in a 1 in 100 risk of cancer. That's a cancer risk 10,000 times higher than the government allows for food and 100 times higher than the government allows for tap water contaminants. (**NRDC, 2/2001**)

Mining and chemical interests and groups like the American Wood Preservers Institute pressured the Bush administration to yank the new arsenic rule. Who did Bush listen to? Big business, of course. After all, mining interests gave Republicans more than \$5 million during the 2000 election cycle. And the chemical industry gave even more - nearly \$9 million to Republican candidates. The forestry products industry gave \$7,023,106 to Republicans during the 2000 election cycle. (**Center for Responsive Politics**)

Hard-Rock Mining

Unguarded hard-rock mining threatens America's public lands. That's why the Interior Department spent four years formulating rules governing what miners can and can't do on public property. The result, after lots of public comment, was a set of environmental rules designed to allow mining to continue where appropriate, but also protect the environment and people living near or down river from mines. Now the Bureau of Land Management, under President Bush, has withdrawn those rules and announced a 45-day review period. This leaves America's public lands and American citizens at risk from mining disasters.

The new regulations that Bush has suspended strengthen environmental standards and allow BLM to deny permits for mines that would threaten environmental or cultural resources. The rules also make it tougher for mining companies to avoid financial liability for violations of environmental and public health laws, and include measures to force more hard-rock miners to post cleanup bonds. Supporters note that the rules are needed because: "Mining companies often go bankrupt and that means they often walk away leaving a mess that later become Superfund sites." (*Associated Press*, 3/20/01) The EPA estimates 40% of the headwaters of all western watersheds are polluted by mining waste and taxpayers could be on the hook for about \$1 billion in clean-up costs. (*Mineral Policy Center*, 3/21/01) In the absence of these new rules, irresponsible mining will continue with disastrous results.

The Bush Administration decision is clearly a cave-in to mining interests. Pressure from the mining industry was intense and multi-pronged. The National Mining Association has sued to have the regulations declared invalid. (*Las Vegas Review-Journal*, 3/22/01) Three other industry lawsuits are also pending. (*Associated Press*, 3/21/01)

Additionally, mining interests contributed big dollars to the Bush campaign and Republicans in general. Of all candidates in the 2000 election, George W. Bush received the most money in direct contributions from the mining industry. The mining industry donated and raised at least \$617,142 for Bush. This includes more than \$300,000 for his campaign, \$300,000 for the Bush Inaugural fund, and \$10,000 for the Bush Recount Fund.

According to the Center for Responsive Politics, mining interests contributed more than \$6.5 million during the 2000 election cycle. The vast majority, 86 percent, went to Republican candidates. Clearly this is another case of Republican pay-backs to special interests at the expense of America's families and the environment.

Clean Air Regulations – Flip-Flopping on CO2

Bush stunned environmentalists and their congressional allies last week by reversing a campaign promise to require that electric-power plants reduce emissions of carbon dioxide(*Newsweek*, 3/26/01)

"Corporate America poured a ton of money into Bush's coffers. Now it's payback time inside the Beltway" (*Newsweek*, 3/26/01)

During his campaign for the presidency, George W. Bush supported the mandatory reduction of four primary air pollutants: sulfur dioxide, nitrogen oxide, mercury, and carbon dioxide. Bush stated this campaign position in a speech and it was enumerated in a campaign policy document issued last September. Recently, in interviews and high-level meetings, EPA chief Christie Whitman indicated continuing support for these emission caps and the need to combat global warming. But then suddenly President Bush reversed himself in a March letter to several Republican senators.

This announcement comes despite science-based warnings that CO₂ is a major contributor to global warming. It's a Bush flip-flop that puts not just the United States, but our entire planet at risk and represents yet another windfall to special interests and big contributors to the Republican party.

CO₂ is the dominant greenhouse gas and recent studies show it's a primary contributor to global warming. A recent U.N. study on global warming concludes: "Emissions of CO₂ due to fossil-fuel burning are virtually certain to be the dominant influence on the trends in atmospheric CO₂ concentration during the 21st Century." (**IPCC study, 2001**) Bush apparently is ignoring this fact, and jeopardizing future generations in the long term to help out his big-business buddies in the short-term.

The Bush CO₂ flip-flop rewards power plant operators, the oil and gas industry, and some utilities - big business interests that contributed heavily to the Bush campaign and Republicans in general. Bush was also pressured by powerful Republican senators who are beholden to these same special-interests.

Here's the money trail that led to this flip-flop. The oil, mining, electric utility and railroad industries donated and raised at least \$1,950,568 for Bush overall. This includes \$593,068 in contributions to the Bush Campaign, more than \$1.3 million for the Bush Inaugural Committee, and \$25,000 for the Bush recount fund. Of all candidates in the 2000 election cycle, George W. Bush received the most money in direct contributions from the electric utility and mining industries. [www.opensecrets.org]

According to *Newsweek*, the Bush announcement capped two weeks of ferocious lobbying by energy interests, mainly big utilities – in the person of Thomas Kuhn, Bush's Yale classmate and current chief of the Edison Electric Institute, the lobbying arm of the electric-utility industry. "Sources tell NEWSWEEK that Kuhn called senior White House aides to urge that Bush back away from the emissions cap." *Newsweek* reports that Kuhn wrote a memo in May of 1999 encouraging electric executives to write \$1000 checks to the Bush campaign and to include on those checks a "tracking code" devised to "insure that our industry is credited" for its contributions. *Newsweek* states that "Kuhn's efforts appear to have paid off, big time. (***Newsweek*, 3/26/01**)

Bush was not the only beneficiary of the anti-CO₂ money. Overall the oil, mining, electric utility and railroad industries have given Republicans at least \$18.1 million in the last 2 years, \$36.8 million over the last 4 years. The Global Climate Coalition, an industry-backed group that opposes CO₂ reductions, gave \$3.1 million to the Republicans. (**Center for Responsive Politics**) Not all utility companies opposed the CO₂ emission caps, but those that did also shoveled millions into Republican campaign coffers. For instance, the

Southern Co. lobbied fiercely against controlling CO2 and contributed \$1.4 million in the last election, nearly two-thirds of it to Republicans. (*WSJ*, 3/15/01)

Bush Administration Fighting Against Forest Protection

In the spirit of Teddy Roosevelt, President Clinton used his authority to protect 58 million acres of our national forests from future logging, mining, and roadbuilding. It was a heroic act designed to preserve America's wild beauty for generations to come. But the Bush administration is poised to reverse this Clinton legacy because it interferes with the plans of their big-business buddies.

The logging, mining, oil and gas industries along with some Western states as well as off-road enthusiasts are all fighting the Clinton road-building ban in every way they can: through the courts, campaign contributions, and lobbying. Currently the rules are on hold until May 12th while the Bush administration figures out what to do about them. All indications are Bush will try to overturn the rule to keep his contributors happy. In the meantime a court hearing for one of the lawsuits is scheduled for March 30th in Boise, Idaho. Team Bush tried unsuccessfully to get the court hearing pushed back in yet another delay tactic.

Most Americans support this road-making ban and for good reason. What it does is set aside a portion of our roadless national forests for conservation and certain public uses. It doesn't keep the public out, it just prevents the timber industry from going in, building roads, and clear-cutting trees.

So why is Bush angling to reverse this important effort of land conservation? Because he owes favors to some big-time campaign contributors. Consider this: the forestry and forest products industry gave the Republicans over \$7 million in donations during the 2000 election cycle. According to the Center for Responsive Politics, Bush was the top recipient of money from the forestry and forest products industries, raking in almost \$300,000. In addition, one of Bush's Pioneers – the cadre of elite fundraisers that collected more than \$100,000 for Bush – is Peter Secchia of Universal Forest Products.

The oil and gas industry, another opponent of the road-ban, gave more than \$25 million to Republicans. And mining interests forked over more than \$5.6 million to Republicans. That's big money and now those special-interests are ready to cash-in on their investment.

More Regulatory Rollbacks Ahead?

Given the fast and furious pace of the rollback of these key environmental and health regulations, many are left wondering what will come next. When Bush took office, Chief of Staff Andrew Card wrote a letter to all departments and agencies, telling them to

postpone for 60 days the effective date of a wide range of regulations announced by President Clinton in his final days. The purpose of this 'review' is to give the administration more time to devise strategies for killing or weakening rules it does not like. The memo covered dozens of regulations. Those that had not yet become law by virtue of being published in the Federal Register will simply lapse, to be revived only if the new administration wants to revive them. Still in the balance, however, are rules that made it into the Federal Register in time but had not yet taken effect.

Outstanding regulations that are pending include efficiency standards washing machine, dryers, dishwashers and other household appliances to make them more energy efficient. New technologies for heating, cooling, water heating, refrigerators, lighting and electronic devices can reduce energy use, create new jobs, and improve comfort in homes and work sites. These new standard are said to be among the Bush administration's next targets.

(Reuters, 3/23/01)

Environmentalists also fear other possible executive orders that would alter current regulations on wetlands protection and a change in the reporting required of lead compounds in the air among others.

Further, Bush has nominated Harvard professor John D. Graham to be his regulations czar at the Office of Management and Budget – a position where he will pass judgment on every regulation drawn up by some 50 government agencies, if confirmed. According to the *New York Times*, “Dr. Graham, the founder and director of a Harvard center that receives most of its money from industry, has become a pivotal figure in the battles over environmental regulation by arguing a theme that is **pleasing to his donors' ears.**” For example, while Dr. Graham was criticizing EPA for concluding that second-hand tobacco smoke is a carcinogen in the early 1990s, he was simultaneously soliciting and receiving contributions from Philip Morris. In a recent report, he advised against a ban on using cellular phones while driving, concluding that the risk of driving while using a cell phone is smaller than the risk of being killed by a drunk driver. The study was funded by AT&T wireless Communications for \$300,000. According to the *New York Times*, his nomination as head of the Office of Information and Regulatory Affairs has “thrilled industry lobbyists”. *(New York Times, 3/25/01)*

Patients' Bill of Rights

Instead of embracing a bipartisan Patients' Bill of Rights, President Bush has joined the Republican leadership in erecting new obstacles to passage of important patient protections to ensure that doctors and not insurance bureaucrats make medical decisions.

The Bipartisan Patient Protection Act was introduced several weeks ago by a bipartisan coalition which includes Senators McCain & Kennedy, House Reps. Ganske & Dingell, & many other Republicans and Democrats. The Bipartisan Patient Protection Act provides all insured patients with a variety of protections including [guaranteed access to needed health care specialists](#), [access to emergency room services](#), [assurance that doctors and patients can openly discuss treatment options](#), and [an enforcement mechanism that gives](#)

genuine recourse to patients who have been harmed as a result of a health plan's actions.

Instead of embracing this bipartisan compromise several years in the making, last week President Bush drew a line in the sand, stating "I want to sign a patients' bill of rights this year, but I will not sign a bad one and **cannot sign any one that is now before Congress.**" (*Speech, 3/21/01*) Bush has outlined his weakened proposal for a Patients' Bill of Rights, which limits a patient's ability to enforce these critical rights which has been praised and applauded by the Health Benefits Coalition (*Health Benefits Coalition release, 2/7/01*) – a group of health insurance companies and some of Washington's biggest trade associations.

"George W. Bush pledged on the campaign trail to bring Democrats and Republicans together on behalf of a patients' bill of rights. But his failure now to back the sensible bipartisan bill being sponsored by John McCain, John Edwards and others in Congress calls into question the sincerity of his pledge. The legislation, which sponsors say is supported by solid majorities in both chambers, would make it easier for Americans to resolve disputes with their health maintenance organizations and other insurance providers and to seek redress when they have been wrongly denied needed treatment." (*New York Times, 2/9/01*)

"Mr. Bush is addressing an issue critical to some of his biggest financial supporters, including major employers groups, insurers, H.M.O.'s and the Business Roundtable, all of whom have been lobbying heavily to make sure that patients' legislation is not too costly. They were heartened by Mr. Bush's commitment to vetoing the leading bill now in Congress." (*New York Times, 3/22/01*)

Not only has he rejected a bipartisan bill, he has used strong arm tactics to sabotage its passage. President Bush and chief strategist Karl Rove convinced GOP Congressman Charlie Norwood (GA) to withhold support for a patient protection bill which includes the right to sue HMOs. The press reported that

"in a display of political hardball, Bush aides persuaded an influential Republican backer of the bill on regulating health maintenance organizations, Rep. Charles Norwood (R-Ga.), to hold off sponsoring it and to stay away from a news conference held by a bipartisan group of lawmakers Tuesday to unveil the legislation." (*Chicago Tribune, 2/7/01*)

That Bush would resort to such tactics just shows the debt of gratitude he owes the managed care industry. Insurance companies and other opponents of Patients' Bill of Rights legislation **gave at least \$2.7 million to Bush's presidential campaign and transition.** Specifically, \$1,626,093 was given by the insurance industry to the Bush campaign according to the Center for Responsive Politics. Another \$1,145,000 was given by the insurance industry to the inaugural fund. (www.opensecrets.org)

According to Texans for Public Justice, a non-partisan watchdog group, seven Bush Pioneers have ties to the health insurance industry, which opposes a Patients' Bill of Rights.

Insurance companies and other opponents of Patients' Bill of Rights Legislation **gave at least \$41.7 million to other Republican campaigns.** (*Wall Street Journal*, 3/15/00)

Of that total, the Health Benefits Coalition, a group of health insurance companies and some of Washington's biggest trade associations, including Blue Cross/Blue Shield and the U.S. Chamber of Commerce, contributed roughly \$13 million in soft money, PAC and individual contributions to federal parties and candidates during the 2000 elections. Almost 75% of those contributions went to Republicans.

The Coalition already has kicked off its lobbying efforts against the bills, a campaign that includes advertisements urging Congress to drop its push for a Patients' Bill of Rights. Last year, the coalition and its members spent \$5 million on advertising and according to press reports, they will spend a similar amount on advertising this year. (*Center for Responsive Politics*, March 19, 2001)

Given the money HMO's and the insurance industry have invested, it is no wonder that Bush and congressional Republicans are playing hardball, rather than working in a bipartisan way for patients across the country.

ENERGY

By all accounts America faces an energy crisis. In California they're struggling to keep the lights on. Nationwide the price of gasoline is up. OPEC is cutting back on oil production. And experts predict widespread energy shortages as America heats up this summer. President Bush is quick to highlight these dire indicators, but so far unwilling to make tough decisions that are good for America. To date he's refused to get involved in California's problems. Instead the president chooses to blame the Democratic governor while ignoring the fact Republicans were the architects of California's failed deregulation experiment. Reports show Bush's hands-off approach to California has lined the pockets of his energy industry supporters. For instance, the Bismarck Tribune reports the deregulation of wholesale energy prices "turned California into Fat City for Enron." (*Bismarck Tribune*, 2/7/01) Enron has long been one of Bush's biggest campaign supporters going back to the 1970's.

As for a long-term solution to energy problems, the president has assigned Vice President Cheney to formulate an energy plan for the country. But it's already clear the new administration has a one-track mind when it comes to solving America's energy problems - BIG OIL. From the president on down, the West Wing is filled with former big oil executives: Bush was in the oil business in Texas, Vice President Cheney was CEO of Halliburton, Commerce Secretary Don Evans is a former Tom Brown executive, and

National Security Advisor Condoleezza Rice was on the Chevron board of directors. Others like Energy Secretary Spencer Abraham and Interior Secretary Gale Norton, were big oil money recipients when they ran for public office.

For these power players and other top administration officials with big-oil connections the answer to the pending energy crisis is drill, drill, drill. That's right, they want to drill for oil and gas anywhere and everywhere. President Bush has even gone so far as to suggest drilling for oil in national monuments! He told the *Denver Post*: "There are parts of the monument lands where we can explore without affecting the overall environment." (*Denver Post*, 3/15/1)

Then there's the president's plan to drill for oil in the Arctic National Wildlife Refuge. This is 1.5 million acres of coastal plain that's home to caribou, migratory birds, and countless other wildlife, representing just five percent of Alaska's North Slope. Scientists, natural resource managers, environmentalists, and most importantly, the vast majority of Americans think big oil should keep its hands off the Arctic Refuge. But Bush is prepared to overrule the will of the people in favor of big oil.

That's because he owes his big oil buddies some big favors. After all they've bankrolled every George W. campaign dating back to the 1970's. Of course the U.S. Geological Survey says the oil wouldn't be available for ten years and would amount to less than a six month's supply for Americans. That doesn't seem to matter to Bush.

In a *Los Angeles Times* piece entitled "It's Payback Time for Bush Contributors," Robert Scheer writes: "This is an administration that seems to thrill at high energy prices. It is even gutting federal programs that promote energy efficiency by a devastating 30%." He concludes: "...for the Bush administration, it's payback time on every front for his greedy legions." (*LA Times*, 3/27/01)

Even the conservative *Wall Street Journal* can't ignore Bush's ties to big oil. The paper writes: "Of all the business interests that back Mr. Bush, oil companies have the clearest ties and strongest personal meaning to the new president. He is a former oil man who revels in his attachment to Texas, and his best friends are oil men, too. Promoting the industry is an instinctive impulse for the president..." (*WSJ*, 3/6/01) According to the Center for Responsive Politics, Bush was by far the top recipient of money from the oil and gas industry receiving \$3.2 million (\$1.8 million in campaign contributions plus inaugural and other contributions) of the \$27 million it gave to Republicans in the 2000 election cycle. Additionally, 28 of Bush's Fundraising Pioneers, those raising \$100,000 or more, are connected to the energy industry. (*NYT*, 6/23/00) The oil and gas industry gave more than \$25 million to Republicans in the 2000 election cycle

Prescription Drugs

Instead of siding with America's seniors, President Bush and the GOP leadership have been siding with their special-interest allies – drug companies that vehemently oppose a real Medicare prescription benefit for seniors. Pharmaceutical companies have filled the campaign coffers of President Bush and congressional Republicans, and in return, Republicans have offered up inadequate, unworkable prescription drug plans to stave off any meaningful Medicare prescription drug benefit.

The Bush budget “blueprint” unveiled on February 28 sets aside only \$153 billion over the next ten years for prescription drugs for seniors and “Medicare reform.” This total includes a temporary prescription drug benefit that gives states a limited block grant, \$11 billion in 2002, to provide financial assistance to low-income seniors for four years. This token drug plan provides assistance to fewer than half of today's seniors. About 25 million seniors are denied coverage under the plan and most of them do not have access to affordable and reliable prescription drug coverage. Further, this plan is not in any way immediate, as many states are not set up to run such a programs.

For permanent changes, the Bush budget increases Medicare spending by \$108 billion (relative to current law) for structural changes in Medicare, as well as the drug benefit. Last year's House Republican plan was solely for prescription medicine, and carried a ten-year price tag of \$159 billion. That plan was widely denounced by health care analysts and the insurance industry as unworkable and unlikely to provide adequate protection against prescription drug costs for most Medicare beneficiaries, and was written in cooperation with the industry.

Even Republicans in Congress have acknowledged the complete inadequacy of the Bush budget for prescription drug plans. When the President sent up the Immediate Helping Hand plan, several Republicans noted that it was dead on arrival.

On the budget proposal, just last week, Rep. Tauzin acknowledged that the Bush budget number for the prescription drug benefit was not enough. “Everybody knows that figure is gone,” Energy and Commerce Chairman Tauzin told reporters... The number, he said, was set before CBO reestimated last year's House bill, which he said is “already over \$200 billion and climbing.” (*Congress Daily*, 3/22/01)

The fact that President Bush and congressional Republicans are embracing a budget with a failed prescription drug plan comes as no surprise. That is because the pharmaceutical industry is a key ally of President Bush and congressional Republican and they oppose a real Medicare prescription drug benefit for fear it would endanger their record profits.

In his 2000 presidential bid, among Bush's key campaign backers was the pharmaceutical industry. They gave and raised almost **\$1.4 million** to get him elected and into office. In fact, according to the Center for Responsive Politics, Bush was the top recipient of pharmaceutical money. This total includes \$449,333 in contributions to his presidential campaign, and \$950,000 the Bush Inaugural Committee.

Indeed, drug companies have been allies of the Republican Party for years -- making major campaign contributions to GOP candidates and party committees. Overall the pharmaceutical industry gave Republicans almost **\$18 million** in the 2000 election cycle – nearly 70% of all their congressional campaign contributions.

Not only has the Bush Administration and Republicans raked in funds for their campaign coffers, but they have also appointed people representing the pharmaceutical industry as key advisors and to key posts in the Administration. Most prominently, Mitchell Daniels, former senior vice president for Eli Lilly, one of the world's leading pharmaceutical companies, serves as Bush's budget director. The Center for Responsive Politics said that Daniels' appointment as Budget Director "should make [Eli] Lilly happy." (www.opensecrets.org; *USA Today*, 3/7/01)

BUSH AND THE GOP CONGRESS HAVE CATERED TO SPECIAL INTERESTS INSTEAD OF WORKING FAMILIES

Groups Who Have Given to Republicans	Contributions to Bush 2000 Election Cycle (1)	Contributions to GOP 2000 Election Cycle (4)	What These Groups Have Gotten From Republicans
Tax Reform Coalition	\$386,632	\$667,611	Unfair Tax Cut, with Business Tax Breaks in the Future
Business & Employer (2) Groups	\$2.0M	\$28.3M	Repeal of Worker Safety Standards
Mining, Timber, Oil & Gas, Chemical	\$3.0M (3)	\$49.9M	Roll-Backs of Environmental Regulations
Health Benefits Coalition (HMOs & Employers)	\$2.7M	\$41.7M	Veto threat on Real Patients' Bill of Rights
Oil & Gas	\$3.2M	\$25.6M	Pro-Drilling Energy policy
Pharmaceutical Industry	\$1.4M	\$17.8M	Placebo Prescription Medicine Benefit for Seniors

Source: Center for Responsive Politics & www.tray.com

1 This includes contributions to the Bush campaign, the Bush Inaugural fund, and the Bush recount fund.

2 This includes trade associations and their members who have publicly opposed the worker safety rules.

3 Campaign contributions only.

4 This includes contributions to candidates and party committees.